

OEL (HOLDINGS) LIMITED

(Company Registration No: 198403368H)

Results For The Fourth Quarter And Twelve Months Ended 31 December 2017

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2,Q3), HALF YEAR AND FULL YEAR RESULTS

1(a) A Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) Statement of Comprehensive Income

	Group					
	4Q 2017 S\$'000	4Q 2016 S\$'000	Change %	FY 2017 S\$'000	FY 2016 S\$'000	Change %
		(Restated)			(Restated)	
Continuing Operations						
Revenue	221	255	-13.3%	930	990	-6.1%
Other operating income	6	708	-99.2%	284	734	-61.3%
Administrative expenses	149	(128)	NM	(562)	(886)	-36.6%
Other operating expenses	(298)	(290)	2.8%	(776)	(738)	5.1%
Finance costs	(5)	(8)	-37.5%	(27)	(24)	12.5%
Profit/(loss) before tax	73	537	-86.4%	(151)	76	NM
Income tax expenses*	(3)	-	NA	(7)	(201)	-96.5%
Profit/(loss) for the period	70	537	-87.0%	(158)	(125)	26.4%

Discontinued Operations**

Loss for the period from discontinued operations, net of tax	(247)	(5,248)	-95.3%	(247)	(6,244)	-96.0%
Loss for the period	(177)	(4,711)	-96.2%	(405)	(6,369)	-93.6%
Loss attributable to:						
Owners of the Company	(177)	(4,711)	-96.2%	(405)	(6,369)	-93.6%

NM = Not meaningful

NA = Not applicable

* Under provision of income tax of prior years

** The Group's shipyard operations were disposed on 6 January 2017, therefore contribution to 2017's profit or loss is not material. Details on events leading up to the disposal are described on note 12 (page 56) of the 2016 annual report.

1(a)(ii) Notes to Statement of Comprehensive Income

Continuing Operations

Profit/(loss) for the period is stated after (charging) crediting the following:

Depreciation of property, plant and equipment

Loss on disposal of property, plant and equipment

Interest expenses

Under provision of tax in prior years

Group					
4Q 2017 S\$'000	4Q 2016 S\$'000	Change %	FY 2017 S\$'000	FY 2016 S\$'000	Change %
	(Restated)			(Restated)	
(198)	(197)	0.5%	(334)	(352)	-5.1%
-	-	NA	(47)	-	NA
(5)	(8)	-37.5%	(27)	(24)	12.5%
(3)	-	NA	(7)	(201)	-96.5%

Discontinued operations

Loss for the period is stated after (charging) crediting the following:

Depreciation of property, plant and equipment

Foreign currency exchange adjustment gain net

Property, plant and equipment written off

Gain on disposal of property, plant and equipment

Bad debts written off

Impairment loss recognised on re-measurement of disposal group to fair value less costs to sell

Group					
4Q 2017 S\$'000	4Q 2016 S\$'000	Change %	FY 2017 S\$'000	FY 2016 S\$'000	Change %
-	(322)	NA	-	(1,286)	NA
-	1,016	NA	-	1,388	NA
-	(4)	NA	-	(17)	NA
-	9	NA	-	85	NA
-	-	NA	-	(1)	NA
-	(5,901)	NA	-	(5,901)	NA

1(a)(iii) Statement of Other Comprehensive Income

Loss for the period from continuing operation

Profit/(loss) for the period from discontinued operation

Other comprehensive loss:

Item that may be reclassified subsequently to profit or loss

- Exchange differences on translation of foreign operations

Items that will not be reclassified subsequently to profit or loss

- Revaluation of property

- Income tax relating to component of other comprehensive income that will not be reclassified subsequently

Total comprehensive income/(loss) for the period

Total comprehensive income/(loss) attributable to:

Owners of the Company

Group					
4Q 2017 S\$'000	4Q 2016 S\$'000	Change %	FY 2017 S\$'000	FY 2016 S\$'000	Change %
70	537	-87.0%	(158)	(125)	26.4%
(247)	(5,248)	-95.3%	(247)	(6,244)	-96.0%
-	(1,113)	NA	-	(1,331)	NA
274	-	NA	274	264	3.8%
(3)	-	NA	(3)	(3)	-
94	(5,824)	NM	(134)	(7,439)	-98.2%
94	(5,824)	NM	(134)	(7,439)	-98.2%

NA = Not applicable
NM = Not meaningful

1(b)(i) A Statement of Financial Position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

B) STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	\$'000	\$'000 (Restated)	\$'000	\$'000 (Restated)
ASSETS				
Current assets:				
Cash and bank balances	284	245	284	245
Trade receivables	-	-	-	-
Other receivables	38	24	39	24
Assets of disposal group classified as held for sale	-	9,045	-	-
Total current assets	322	9,314	323	269
Non-current assets:				
Associates	-	-	-	-
Other non-current assets	-	6	26	32
Property, plant and equipment	8,620	8,803	8,620	8,803
Total non-current assets	8,620	8,809	8,646	8,835
Total assets	8,942	18,123	8,969	9,104
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	130	139	130	139
Other payables	474	558	473	556
Income tax payables	3	129	3	129
Finance leases	-	33	-	33
Bank loans	1,000	1,000	1,000	1,000
Liabilities of disposal group classified as held for sale	-	9,045	-	-
Total current liabilities	1,607	10,904	1,606	1,857
Non-current liabilities:				
Finance leases	-	-	-	-
Deferred tax liabilities	275	272	275	272
Total non-current liabilities	275	272	275	272
Capital and reserves:				
Share capital	38,530	38,530	38,530	38,530
Reserves	(31,470)	(31,583)	(31,442)	(31,555)
Net equity	7,060	6,947	7,088	6,975
Total liabilities and equity	8,942	18,123	8,969	9,104

Restatement

In prior years, a portion of the Group's leasehold building which was leased out under an operating lease was classified as investment property. Based on communication from the lessor, management reassessed that the leased portion may not be sold separately or leased out separately under a finance lease. Certain restatements have been made to the prior year's financial statements to classify the entire leasehold building under property, plant and equipment and to account for the fair value gain recognised on the portion previously held as investment property in revaluation reserve.

The leasehold building is carried at its revalued amount, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. In prior years, movements in the fair value of the leasehold building had not been adjusted to its carrying amount as management had assessed that the fair value movements were not material. Following the reclassification of non-depreciated investment property into property, plant and equipment, the revaluation adjustments to adjust the carrying amount of the leasehold building to its fair value are material. Certain adjustments have been made to the prior year's financial statements to revalue the leasehold building.

As a result, certain line items have been amended in the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow.

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.12.2017		As at 31.12.2016	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
1,000	-	1,000	-

Amount repayable after one year

As at 31.12.2017		As at 31.12.2016	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

The above borrowings are secured by a property of the Company.

1(c) A Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	2017	2016
	\$'000	\$'000 (Restated)
Operating activities		
(Loss)/ profit before tax from continuing operations	(151)	76
Loss from discontinued operations	(247)	(6,244)
	(398)	(6,168)
Adjustments for:		
Depreciation of property, plant and equipment	334	1,638
Impairment of other non-current asset	6	6
Interest expense	27	24
Loss/(gain) on disposal of property, plant and equipment	47	(85)
Reclassification of cumulative currency translation loss on disposal of foreign subsidiary	247	-
Property, plant and equipment written off	-	17
Write back of accruals	-	(674)
Impairment loss recognised on re-measurement of disposal group to fair value less costs to sell	-	5,901
Operating cash flows before movements in working capital	263	659
Trade receivables	-	285
Other receivables	(14)	64
Inventories	-	3
Trade payables	(9)	(1,135)
Other payables	(84)	(1,244)
Cash generated from/ (used in) operations	156	(1,368)
Income tax paid	(133)	(72)
Interest paid	(27)	(24)
Net cash used in operating activities	(4)	(1,464)

Investing activities

Purchase of property, plant and equipment
 Proceeds on disposal of property, plant and equipment

Net cash from investing activities

Financing activities

Proceeds from bank loans

Repayment of bank loans

Repayment of obligations under finance leases

Restricted cash

Net cash (used in) / from financing activities

Net increase/ (decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of the year

Effect of exchange rate changes on the balance of cash and
 bank balances held in foreign currencies

Cash and cash equivalents at end of the year

Group	
2017	2016
\$'000	\$'000 (Restated)
-	(10)
76	93
76	83
150	500
(150)	-
(33)	(33)
-	596
(33)	1,063
39	(318)
245	712
-	18
284	412

Cash and cash equivalents consist of :

Cash and bank balances

Add: included in disposal group held for sale

Cash and cash equivalents at end of the year

31.12.2017	31.12.2016
<u>S\$'000</u>	<u>S\$'000</u>
284	245
-	167
284	412

1(d)(i) A Statement of Changes in Equity (for the issuer and Group) showing either (i) all changes in equity or (ii) changes inequity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	SHARE CAPITAL	CURRENCY TRANSLATION RESERVE	REVALUATION RESERVE	SHARE ISSUE RESERVE	ACCUMULATED LOSSES	TOTAL
Balance at 01.01.2016	S\$'000 38,530	S\$'000 1,084	S\$'000 6,539	S\$'000 (182)	S\$'000 (31,971)	S\$'000 14,000
Restatement	-	-	782	-	(396)	386
Balance at 01.01.2016 (Restated)	38,530	1,084	7,321	(182)	(32,367)	14,386
Total comprehensive (loss)/ income for the year						
Loss for the year	-	-	-	-	(6,369)	(6,369)
Other comprehensive (loss)/ income for the year	-	(1,331)	261	-	-	(1,070)
Total	-	(1,331)	261	-	(6,369)	(7,439)
Balance at 31.12.2016	38,530	(247)	7,582	(182)	(38,736)	6,947
Reclassification to profit or loss on disposal of foreign subsidiary	-	247	-	-	-	247
Total comprehensive income/ (loss) for the year						
Loss for the year	-	-	-	-	(405)	(405)
Other comprehensive income for the year	-	-	271	-	-	271
Total	-	-	271	-	(405)	(134)
Balance at 31.12.2017	38,530	-	7,853	(182)	(39,141)	7,060

COMPANY	SHARE CAPITAL	REVALUATION RESERVE	SHARE ISSUE RESERVE	ACCUMULATED LOSSES	TOTAL
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 01.01.2016	38,530	6,539	(182)	(37,573)	7,314
Restatement	-	782	-	(397)	385
Balance at 01.01.2016 (Restated)	38,530	7,321	(182)	(37,970)	7,699
Total comprehensive income/ (loss) for the year					
Loss for the year	-	-	-	(985)	(985)
Other comprehensive income for the year	-	261	-	-	261
Total	-	261	-	(985)	(724)
Transactions with owners, recognised directly in equity					
Balance at 31.12.2016	38,530	7,582	(182)	(38,955)	6,975
Total comprehensive income/ (loss) for the year					
Loss for the year	-	-	-	(158)	(158)
Other comprehensive income for the year	-	271	-	-	271
Total	-	271	-	(158)	113
Balance at 31.12.2017	38,530	7,853	(182)	(39,113)	7,088

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no movement in the issued capital of the company since 31 December 2016. The Company has no outstanding convertible securities as at 31 December 2017.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.**

	31.12.2017	31.12.2016
Total number of shares excluding treasury shares	668,266,667	668,266,667

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers and/or use of treasury shares as at 31 December 2017 except for the cancellation of the entire 20,357,894 treasury shares on 13 June 2017. The Company does not hold any treasury shares as at 31 December 2017.

- 1(d)(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

The Company does not have any subsidiary holdings as at 31 December 2017.

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed by the auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except for the adoption of revised Financial Reporting Standards ("FRS") as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those used in the audited financial statements for the year ended 31 December 2016.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effects of, the change.**

The Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2017. The adoption of these new/revised FRSs and INT FRSs does not result in significant changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Continuing operations

Profit/(loss) per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis*

Group			
4Q 2017	4Q 2016	FY2017	FY2016
0.01 cent	0.08 cent	(0.02) cent	(0.02) cent
0.01 cent	0.08 cent	(0.02) cent	(0.02) cent

Discontinued operations

Loss per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis*

Group			
4Q 2017	4Q 2016	FY2017	FY2016
(0.04)cent	(0.79)cent	(0.04)cent	(0.93)cent
(0.04)cent	(0.79)cent	(0.04)cent	(0.93)cent

Note: The net earnings per share for the three months 4Q 2017 and FY 2017 is calculated based on 668,266,667 ordinary shares in issue (4Q 2016 and FY 2016: 668,266,667).

NA = Not applicable

* There are neither any instruments that are convertible into ordinary shares of the Company nor any share options outstanding.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Group	
31.12.2017	31.12.2016
1.06 cents	1.04 cents

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Company	
31.12.2017	31.12.2016
1.06 cents	1.04 cents

Note: The net asset value per ordinary share is calculated based on the issued share capital of 668,266,667 ordinary shares as at 31 December 2017 (31 December 2016: 668,266,667 ordinary shares).

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

CONTINUING OPERATIONS

The Group earned rental income from leasing of its property at No 8 Aljunied Avenue 3 in Singapore.

Revenue

The Group posted revenue of S\$0.22 million in 4th Quarter 2017 (“4Q2017”) as compared to S\$0.26 million in 4th Quarter 2016 (“4Q2016”). For the twelve months ended 31 December 2017 (“FY2017”), the Group recorded revenue of S\$0.93 million compared to S\$0.99 million for the corresponding period ended 31 December 2016 (“FY2016”).

The lower revenue for 4Q2017 and FY2017 was due to lower rental rates.

Other Operating Income

The Group registered other operating income of S\$0.006 million in 4Q2017 as compared to S\$0.71 million in 4Q2016. For FY2017, the Group registered other operating income of S\$0.28 million as compared to S\$0.73 million in FY2016. The lower other operating income in 4Q2017 and FY2017 were due to the higher write back of accruals no longer required in 4Q2016 and FY2016 which was non-recurring .

Operating Expenses

Operating expenses comprise mainly administrative and other operating expenses. In 4Q2017, total operating expenses amounted to S\$0.15 million compared to S\$0.42 million in 4Q2016. The decrease in the total operating expenses in 4Q2017 was largely due to the reclassification of cumulative currency translation loss on disposal of foreign subsidiary from continuing operations for the last three quarters to discontinued operations in the last quarter.

For FY2017, total operating expenses decreased to S\$1.34 million from S\$1.62 million in FY2016. The lower total operating expenses in FY2017 was attributed mainly due to lower manpower cost due to reduction in headcount and lower professional fees.

Profit & Loss from Continuing Operations

The Group reported a profit of S\$0.07 million in 4Q2017 as compared to a profit of S\$0.54 million in 4Q2016. The lower profit in 4Q2017 was attributed mainly to lower revenue and lower write back of accruals no longer required. These was offset by the decrease in the total operating expenses.

The Group reported a loss of S\$0.16 million in FY2017 and a loss S\$0.13 million in FY2016.

DISCONTINUED OPERATIONS

The Group reported a loss of S\$0.25 million in 4Q2017 due to the reclassification of cumulative currency translation loss on disposal of its foreign subsidiary.

In 4Q2016 and FY2016 the Group reported a loss of S\$5.25 million and S\$6.24 million respectively.

On 12 December 2016, a creditor of the Group’s subsidiary, OSEC Shipyard Pte. Ltd. (“OSEC”) filed an application with the Singapore High Court (the “Court”) to wind up OSEC on the basis that OSEC had failed to satisfy debts of US\$562,000.

On 6 January 2017, the application was heard by the Court, pursuant to which a winding up order was made against OSEC and a liquidator appointed with immediate effect. This resulted in the Group losing control of OSEC and its subsidiary OSC Co., Ltd (“OSC”), which constitutes an effective disposal of both entities (the Shipyard operations) on 6 January 2017.

In view of these circumstances management had concluded that as at 31 December 2016, the assets and liabilities of OSEC and OSC met the definition of a disposal group held for sale, as specified in FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. In accordance with FRS 105:

- The assets and liabilities related to OSEC and OSC have been presented in the 31 December 2016 statement of financial position as “Assets of disposal group classified as held for sale” and “Liabilities of disposal group classified as held for sale”. The disposal group is measured at the lower of its previous carrying amount and fair value less costs to sell, resulting in an impairment loss of S\$5.9 million. The net assets of the disposal group are nil as management is uncertain of the amounts if any, that can be recovered from the liquidation process.
- The results of OSEC and OSC have been presented separately on the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2016 as “Loss from discontinued operations, net of tax”. Prior year comparatives have been re-presented accordingly.
- A loss on disposal of \$247,000 is recognised in financial year ended 31 December 2017 arising from the reclassification of cumulative currency translation loss relating to the foreign subsidiary OSC recognised in other comprehensive income and accumulated in currency translation reserve in prior years.

The major classes of assets and liabilities of the disposal group classified as held for sale are as follows:

	2016 \$'000
Assets:	
Cash and bank balances	167
Trade receivables	102
Other receivables	1,627
Other assets	5,003
Property, plant and equipment	2,146
	<u>9,045</u>
Liabilities:	
Trade payables	8,150
Other payables	895
	<u>9,045</u>
Net assets of disposal group classified as held for sale	<u>-</u>

The loss for the year from the discontinued operations is analysed as follows:

	2017 \$'000	2016 \$'000
Loss for the year	-	(343)
Impairment loss recognised on re-measurement of disposal group to fair value less costs to sell	-	(5,901)
Reclassification of cumulative currency translation loss on disposal of foreign subsidiary	(247)	-
	<u>(247)</u>	<u>(6,244)</u>

The results of the discontinued operations are as follows:

	2016
	\$'000
Revenue	1,902
Cost of sales	(2,625)
Other operating income	1,388
Administrative expenses	(884)
Other operating expenses	(124)
Loss before tax	(343)
Income tax expense	-
Loss for the year	(343)

LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

As a result of the above including the loss from the discontinued operations for the shipyard operations, the Group recorded a loss attributable to owners of the Company of S\$0.41 million for FY2017 as compared to a loss of S\$6.4 million in FY2016.

REVIEW OF WORKING CAPITAL, ASSETS AND LIABILITIES

The Group's current assets decreased to S\$0.32 million as at 31 December 2017 from S\$9.31 million as at 31 December 2016 and current liabilities decreased to S\$1.61 million as at 31 December 2017 from S\$10.90 million as at 31 December 2016.

The decrease in current assets and liabilities was due to the disposal of shipyard operations (classified as disposal group held for sale as at 31 December 2016). Details on events leading up to the disposal are described on note 12 (page 56) of the 2016 annual report.

As at 31 December 2017, the Group has net current liabilities of S\$1.29 million. Management will continue to manage its cash flow conservatively.

REVIEW OF CASH FLOW STATEMENT

Cash flow from operating activities was a net cash outflow of S\$0.004 million as compared to a net cash outflow of S\$1.46 million for the same corresponding period of last year. The net cash outflow in FY2016 was mainly due to the loss from discontinued operations.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group generates rental income from its property and will continue to explore and evaluate strategic business opportunities that have potential to generate value for shareholders.

11 Dividend

(a) Current Financial Period Reported On

Any dividend proposed for the current financial period reported on? None

Name of dividend	NA
Dividend Type	NA
Dividend Amount per Share (in cents)	NA
Dividend Rate (in %)	NA
Tax Rate	NA

(b) Corresponding Period of the Immediately Preceding Financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

Name of dividend	NA
Dividend Type	NA
Dividend Amount per Share (in cents)	NA
Dividend Rate (in %)	NA
Tax Rate	NA

(c) Whether the dividend is before tax, net of tax or tax exempt

Not applicable.

(d) Date payable

Not applicable.

(e) Books closure date

Not applicable.

12 If no dividend has been declared / recommended, a statement to that effect.

No dividend has been declared or recommended for the year ended 31 December 2017.

13 If the Group has obtained a general mandate from shareholders for Interested Person Transaction (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual (Section B: Rules of Catalyst). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have a general mandate from shareholders for the interested person transactions. There were no IPTs of S\$100,000 or more for the twelve months ended 31 December 2017.

14 Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual (Section B: Rules of Catalyst)

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange’s listing rules from all the Directors and Executive Officers of the Company.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15 Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Group previously had two reportable segments – Rental of property and Shipyard Operations. In financial year 2016, Shipyard operations have been identified as a disposal group held for sale and discontinued operations.

The Group's continuing operations relate solely to the rental of property. Therefore, revenue and results of the rental of property are discernable from the consolidated statement of profit or loss and other comprehensive income.

Revenue and results of Shipyard operations are disclosed as discontinued operations in the statement of profit or loss and other comprehensive income.

There were no inter-segment sales during the years ended 31 December 2017 and 31 December 2016.

As at 31 December 2016, all assets were allocated to reportable segments. All liabilities were allocated to reportable segments other than bank borrowings, finance leases, income tax payable and deferred tax liabilities which were reported under the unallocated other liabilities. The assets and liabilities of the shipyard operations segment had been classified as a disposal group classified as held for sale.

As at 31 December 2017, there is only one reportable segment. The bank borrowings, income tax payable and deferred tax liabilities are reported under this reportable segment.

	Rental of property	Shipyard operations	Total
	\$'000	\$'000	\$'000
<u>2017</u>			
Assets:			
Segment assets	8,942	-	8,942
Unallocated other assets			-
Consolidated assets			<u>8,942</u>
Liabilities:			
Segment liabilities	1,882	-	1,882
Unallocated other liabilities			-
Consolidated liabilities			<u>1,882</u>
Other information:			
Capital additions	-	-	-
Depreciation	334	-	334

As at 31 December 2016, the allocation of segment assets and liabilities were as follows:-

	Rental of property \$'000	Shipyard operations \$'000	Total \$'000
Assets			
Segment assets (Restated)	9,078	9,045	18,123
Unallocated other assets			-
Consolidated assets			<u>18,123</u>
Liabilities:			
Segment liabilities	697	9,045	9,742
Unallocated other liabilities			1,434
Consolidated liabilities			<u>11,176</u>
Other information:			
Capital additions	10	-	10
Depreciation (Restated)	352	1,286	1,638

Geographical information

The Group's revenue from Continuing Operations in FY2017 was derived from the rental of property which operates in Singapore. Revenues from rental of property in 2017 and 2016 were earned from one customer. The Group's revenue from Discontinued Operations (Shipyard operations) was in Thailand. Accordingly, revenue and assets breakdown in geographical markets are presented above.

16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to item no. 8.

17 A breakdown of sales.

	Group		
	2017 S\$'000	2016 S\$'000	Change %
Sales reported for first half year (continuing operations)	488	490	-0.4%
Sales reported for first half year (discontinued operations)	-	674	NA
Operating loss after tax before deducting non-controlling interests reported for first half year	(211)	(2,277)	-90.7%
Sales reported for second half year (continuing operations)	442	500	-11.6%
Sales reported for second half year (discontinued operations)	-	1,228	NA
Operating loss after tax before deducting non-controlling interests reported for second half year	(194)	(4,092)	-95.3%

- 18 A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year as follows:**

Total Annual Net Dividend

	FY2017 S\$	FY2016 S\$
Ordinary	Nil	Nil
Preference	Nil	Nil

- 19 Confirmation pursuant to Rule 704(10) of the Listing Manual (Section B: Rules of Catalyst)**

There are no persons occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director or Chief Executive Officer or substantial shareholders of the Company.

BY ORDER OF THE BOARD

TAN CHING CHEK
COMPANY SECRETARY
23 February 2018

This announcement has been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are: -

Name: Mr Mah How Soon (Registered Professional, RHT Capital Pte. Ltd.)
Address: 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619
Tel: 6381 6757